OKLAHOMA CURRENT FARM ECONOMICS

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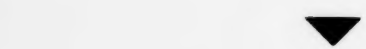
For Northern Oklahoma



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The Agricultural Situation

General

The economy of the nation during November and December was characterized by a continued state of flux in every sector as business continues to adjust to the continued pressure of consumer demand and tight credit conditions.

The index of industrial production, seasonally adjusted, attained a level of 148 percent of the 1947-49 average which is two points greater than a year ago. Durable manufactured goods attained a level of 166 compared with 161 a year ago while non-durables moved from 130 last year to 131 in December of 1956.

Seasonally adjusted new construction expenditures, at $3,729 million, were up four percent over last year. Non-farm residential construction increased by nearly one percent and total public construction expenditures increased by nearly 12 percent from December 1955.

Employment during December dropped off slightly from November to 64,550,000. Unemployment increased to 2,479,000 during the same period.

Early estimates for December place retail sales at nearly one percent greater than in 1955. Increases occurred in furniture and appliances, apparel and most other areas. The automotive group is a notable exception, registering a one percent decline.

Purchasing Power of the Dollar

The purchasing power continues to decline as most commodity prices continue to climb. The index of purchasing power as measured by consumer prices in November declined to 84.9, (1947-49=100) down 2.1 points from a year ago.

Prices Received and Paid by Farmers

The index of prices received by farmers for cotton in December dropped to 262 (1910-14=100) from 270 in November and 264 in December a year ago. Food grain experienced an increase from 221 percent of the 1910-14 average in December 1955 to 234 percent in 1956.

Livestock prices increased from an index of 219 in 1955 to 234 in 1956. Most of the increases took place in the dairy products and meat animals. Price declines were registered for poultry and eggs.

Prices paid, however, also increased from the past year to reach 267 percent of the 1910-14 average. Family items increased from an index of 273 to 282 and production items increased from 243 to 251. The parity ratio (ratio of prices received to prices paid) increased from an index of 80 in December 1955 to 82 in December of 1956.

—John Franzmann.

Crops

Cotton

Supply

The supply of cotton in the United States is significantly larger than last season despite lower production. Carryover stocks as of August 1, 1956, were 14.5 million bales, an increase of 3.3 million bales over the previous August 1. The December crop estimate placed United States production at 13.2 million running bales compared with last season's production of 14.7 million bales. The supply in the United States for the 1956-57 marketing year is estimated at 27.6 million bales, 1.6 million more than last year.

Disappearance

Consumption in the United States during the current season has been about 4 percent below a year ago. Total consumption for the season is expected to decline to around 9 million bales compared with 9.2 million bales the past season.

Though cotton consumption is lower for the current season, the export picture looks brighter. Exports in August through November this season were 2,143,000 bales of 500 pounds gross, as compared with 533,000 bales for the same period last year. Exports for the current season are expected to be about 6.5 million bales, the largest since 1933-34 when exports totaled 7.5 million. This is nearly three times the 2.2 million bales exported the past season.

Soil Bank

Regulations covering the 1957 acreage reserve program of the soil bank were announced December 26. National allocations of acreage reserve funds for cotton totaled $217,500,000. The deadline for farmers to sign acreage reserve agreements for cotton is March 1, 1957. Limitations on participation of the farmer require total cotton acreage reserve shall not exceed the farm's cotton allotment. Also, the maximum cotton acreage that may be initially entered for a farm is 30 percent of his alloted acreage or 10 acres, whichever is larger. Provisions have been made where this maximum can be exceeded if funds are still available after all farmers have had an opportunity to participate.

Applications for acreage reserve agreements will be accepted within these limitations by the county committee on a "first come, first served" basis to the extent of available county funds. If a farmer wishes to place more than the maximum acreage limits under the agreement, he must indicate this in his original agreement. If, after the closing date for signing agreements, there are funds available, the additional acres will be accepted to the extent of available funds and other possible regulations issued by the department at a later date. Funds left over from other counties or states can be reallocated to those counties or states where needed.

The county ASC committee will inspect the land to be signed up for acreage reserve to determine if it has been properly designated and its suitability for production of cotton. Only land suitable for the production of cotton will be eligible for the acreage reserve. County committees may also reject tracts of such size, shape or nature as to make it impractical to determine performance of an agreement or tend to defeat the purpose of the soil bank program.

Rights of the tenant and sharecropper are protected under regulations providing that county ASC committees cannot approve an agreement if the landlord or farm operator, because of participation in the soil bank, reduced the number of tenants or sharecroppers on his farm. Also, a provision specifies that if the tenant or sharecropper leaves the farm voluntarily, or for reasons other than being forced off, the failure to replace the tenant or sharecropper will not bar the landlord or farm operator from participating in the acreage reserve program.

—William E. Cathcart

Wheat

No major changes have occurred in the wheat situation since the Outlook report in the December 1956 issue of **Current Farm Economics.**

Feed

Supplies

Total supply of feed grains and other concentrates for the 1956-57 marketing year was estimated at a record level of 200 million tons, compared with last year's record level of 197 million tons. This is 26 million tons above the 1950-54 average.

Total stocks of the four major feed grains in all positions January 1 totaled 121 million tons, an increase of 4 million tons over a year earlier. Approximately a third of this total was owned by CCC or under Government loan or purchase agreement. "Free" stocks of feed grains on January 1 this year were slightly over 80 million tons.

Oklahoma stocks of the four feed grains in all positions January 1 were estimated at 11.8 million bushels compared with 23 million bushels on January 1, 1956.* Stocks of corn were 1.8 million bushels compared with 3.9 million bushels a year earlier. Oat stocks in all positions were 4 million bushels January 1, 1957, which were down 3 million

* *Stocks of Wheat and Feed Grains, January 1, 1957* Oklahoma Crop and Livestock Reporting Service, AMS, USDA, Oklahoma City, Oklahoma.

bushels from January 1, 1956. Barley stocks in all storage places were 1.1 million bushels on January 1, compared with 1.2 million bushels a year earlier. Stocks of sorghum grain in all positions were 4.9 million bushels January 1, 1957, and 10.8 million bushels January 1, 1956.

Domestic Disappearance

Total disappearance of feed grains and concentrates is expected to be a little less than in 1955-56. If the rate of feeding per animal unit remains about the same as in 1955-56, around 130 million tons of feed concentrates would be required for 1956-57. Total utilization of feed grains for food, industry and seed probably will continue at about the same rate as last year and total close to 20 million tons. This would give a total domestic disappearance of feed grains and other feed concentrates of around 150 million tons during 1956-57 feeding year.

Hay

The total U.S. hay supply for 1956-57 is now estimated at 125.2 million tons, 2.8 million tons less than in 1955-56. Disappearance of hay during May-December was slightly less than during the same period a year ago. Stocks of hay remaining on farms January 1, totaled 73.5 million tons, 3 percent less than January 1, 1956.

Range Condition

Range conditions in Oklahoma are generally poor and a considerable amount of supplemental feeding is being done due to short pasture feed conditions. The range feed conditions on January 1, was estimated at 58 which was considered bad. This was an 8 point decline from January 1, 1956, and well below the 1946-55 average of 70 for January 1. Some rain and snow since early January have helped the small grain pasture outlook over the state. —**William Morrison.**

Livestock and Livestock Products

Beef Cattle

Total Slaughter

Record numbers of commercial cattle were slaughtered during October through December. October, with 2,605,100 cattle slaughtered was a new all time high for any month. According to the Agricultural Marketing Service, three factors seemed to have caused this high slaughter rate and these same factors may influence numbers slaughtered this winter.

First, cattle were put on feed and marketed early. Shipments of feeder cattle to the Corn Belt substantially exceeded the previous year for several months beginning in June. In an effort to avoid holding cattle too long, as many feeders did the previous year, several feeders rushed their cattle through the feeding period and marketed them at a lower grade and slightly lighter weight. At seven markets in November and December, the proportion of Prime grade among all fed steers fell to 6 percent from 14 percent the year before; Choice grade fell from 54 percent to 51 percent. The proportion of Good grade rose to 37 percent of the total number from 24 percent in 1955. Average weights were down about seven pounds. The small decline in average weights might be contributed to the use of stilbestrol. Steers fed stilbestrol take on more weight before attaining a high finish than do those fed rations without stilbestrol; therefore, feeders may be selling at lower grades to avoid overweight.

A second reason for the large slaughter is the increased rate of marketing all kinds of cattle. More grass-fat steers and heifers went directly to slaughter this fall instead of being held for roughing through the winter.

Finally, slaughter has expanded in the Southwest and other drouth areas. From July to November, cattle slaughter under federal inspection in the South Central region, which includes Oklahoma and Texas, was up 20 percent from 1955. In the Mountain States, which include New Mexico and Arizona, slaughter was 14 percent larger, and in the Southwestern part of the North Central region, slaughter increased seven percent.

Steer, calf, and heifer slaughter increased after a late summer downturn. Steer slaughter, as a whole, exceeded the previous year by more than a million head.

Cow Slaughter

Slaughter of cows lagged behind 1955 for the first nine months, but the numbers slaughtered increased sharply in October. The 1956 total may be close to the 6,656,000 head slaughtered in 1955. In view of the fact that a half million fewer heifers were on hand at the beginning of the year, it appears that cow herds are being culled closely and are not being expanded.

Oklahoma Receipts

December receipts at the Oklahoma National Stockyards at Oklahoma City amounted to 54,733 head, compared with 68,305 head in November. Receipts of calves during December were 7,077 head, down 3,927 from November. Total receipts of cattle and calves at these yards during 1956 amounted to 987,352 head, compared with receipts of 872,350 head during 1955, and 995,581 in 1954.

U. S. Cattle Numbers

A high slaughter rate that includes all classes of cattle is typical of the peak phase of the cycle in cattle numbers. A considerable period of very heavy slaughter is always necessary to turn inventory numbers downward. The 1956 slaughter was sufficient to prevent a further rise in cattle numbers as of January 1, 1957. Cattle numbers were down 2 percent to 95 million head.

Total cattle slaughter is expected to decline seasonally but may equal the level of a year ago.

Cattle Prices

Prices of fed cattle have declined from their high in September. Choice steers at Chicago averaged $21.95 per 100 pounds in December which was down $5.28 from September but still $1.64 above December 1955. Increased supplies of short fed cattle coincided with record slaughter of all other cattle to account for the decline in price.

More cattle are being fed this winter than last winter and a greater percentage fed are young stock. Thus, it is likely that marketings will be distributed more evenly throughout the year than they were in 1956. Prices are not likely to drop as low as at mid-winter last year. It is possible that they will advance, temporarily, around mid-winter, then drop when supplies are seasonally greatest.

Price spreads between grades probably will be wider this winter and spring than last year. A year ago, the market was depressed by unusually large numbers of highly finished steers, which narrowed the spreads.

Prices for cows and stocker and feeder cattle usually advance during the winter to a spring high. They probably will do so this year though the increase may be small and will be affected by trends in fed cattle prices and by prospects for grazing conditions.

Western Range Conditions

Weather and range conditions will have a particularly strong influence on cattle slaughter and prices in 1957. If drouth persists it could be the most significant factor affecting the cattle industry in 1957. Continued drouth conditions would almost certainly reduce cattle numbers. The reduction in cattle numbers would add to current supplies of beef, and would prevent the moderate improvement in prices.

A large slaughter would, however, promise higher prices some time in the future. Slaughter would include large numbers of cows and calves and thereby reduce the capacity for beef production a year or two in the future. Slaughter of this kind is much different than that of early 1956 which consisted largely of mature steers and thus had no bearing on the production capacity of the nation's cattle herds.

Retail Beef Prices

Retail meat prices generally advanced during the second and third quarters of 1956 with beef prices rising most. Prices of Choice beef steaks and roasts were low during the first half of 1956 and in line with the record number of fed cattle slaughtered during that time. Retail prices of Choice beef are expected to change little from recent levels, and to stay above 1956 prices during the winter and spring. Total supplies of beef available will be ample throughout the year, and prices next fall may not advance as much as the past fall.

—Paul Andrilenas and Jackson L. James

Dairy

The Agricultural Marketing Service reports that "U. S. milk production will continue high this winter. The relation between prices of milk and feed favors large dairy output and supplies of feed concentrates are at record levels."[1] U. S. support prices of dairy products for the coming year are about the same as for 1956 at an equivalent manufacturing milk price of $3.25 per cwt. for 3.95 percent milk.

For the United States the record milk production in 1956 produced two percent more butter and cheese and four percent more ice cream than in 1955. The balance of the increase was used in fluid forms.

About 4 percent of the 127 billion pounds produced in the calendar year 1956 went into CCC support programs and this chiefly into cheese and dry skim milk powder. Exports of dairy products under government programs in 1956 have increased the sale of these products to several foreign countries. Some reconstituting plants have also been set up. These "trial runs" should be a valuable entry for larger foreign sales in the years ahead.

The total annual milk supply in Oklahoma for 1955 and 1956 remained constant at around 1.7 billion pounds per year. However there have been changes in the types of products produced. The two main manufactured products made from milk above the fluid needs in Oklahoma are butter and cheese. Butter production in 1956 was about 25 million pounds, about 2 million pounds less than in 1955. The 1954 production was above 30 million pounds. American cheese production in Oklahoma in 1956 was over 7 million pounds, slightly higher than in 1955. The production of dry skim milk powder is on the increase in the state as more major manufacturing plants are using butter-powder facilities.

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[1] *The Dairy Situation*, AMS, USDA, January, 1957.

The major increase is in the production of fluid milk. In Oklahoma, milk production for the fluid markets of Oklahoma City, Tulsa and Muskogee has been increasing more than the demand for Class I milk. This increase was almost 4 million pounds for December, 1956, over the same month a year ago.

The following table gives the Class I, Class II, uniform prices and the percentages of milk in Class II in the Oklahoma City and Tulsa markets for December, 1956.

Table 1.—Prices and Utilization of Milk in the Oklahoma City Tulsa Milksheds, December 1956

Market	Prices per 100 lbs. 4 percent Milk			Percentage Used in Class II
	Class I	Class II	Uniform Price	
Oklahoma City	$5.22	$3.30	$4.74	26.7
Tulsa	5.37	3.27	4.78	27.3

Source: Market Administrators Reports, AMS, USDA, Oklahoma City and Tulsa.

It is predicted by market men that the Class II milk deliveries for May and June, 1957 will result in a 50 percent usage in Class II. If this occurs the present price structure will bring the uniform price below $4 per 100 pounds for 4 percent milk.[1]

As pointed out earlier the total milk production for the state did not increase in 1956 over 1955 but there was a shift in production; namely an increase in production by Grade A producers and a decrease by those producers selling mostly cream and manufacturing milk. This shift is placing the major production and marketing of milk into the hands of fewer but larger dairymen. The shift is resulting in a somewhat higher quality manufacturing of dairy products as the Grade A dairymen have more rigid inspection of production, cooling, and transporting programs. **—A. W. Jacob.**

Hogs

United States

The 1956 pig crop is estimated at 89,671,000 head. This is a decrease of 6 percent from the 1955 total of 95,719,000 head, but 1.7 percent above the 1945-54 average. The fall crop of 36,535,000 head is 4 percent smaller than for 1955 but 2 percent above the 1945-54 average of 34,219,000 fall pigs saved. A new record for fall farrowings

[1] Blend price and 50 cent maximum Supply-Demand deduction for Class I milk.

of 7 pigs saved per litter was established last fall. This compares with 6.8 head saved for the fall of 1955.

August and September continue to account for over half the total of fall farrowings, (June through November). A slight shift in 1956 from early fall farrowings (June, July, August) to late fall (September, October, November) may tend to shift marketings slightly toward April, May, and June. While this movement has not been very great, it does represent a 2.1 percent change from the fall farrowing pattern set in 1955. This is a movement back toward the late fall farrowing pattern of the 1945-54 average when 47.2 percent were farrowed in the early fall and 52.8 percent in the late fall.

Total hog slaughter for 1956 was 6 percent above the total for 1955 and 13 percent above the 1948-55 average of 68,981,000 head. December hog slaughter was estimated at 6,841,000 head. This was 11 percent below the November slaughter and 21 percent below the December 1955 slaughter of 8,672,200 head.

Hog slaughter reached a peak in November last year, a month earlier than usual, and has been declining since that time. It is expected to increase slightly in March and April this spring then decline through June.

Hog prices have been rising steadily from the fall low of $14.20 reached in November last year. On January 15, hog prices stood at $17.30 per cwt. This compares with $10.90 per cwt. reported for January 15, 1956. Hog prices may be expected to continue to hold this level through February but may weaken some as the bulk of the fall pig crop comes on the market during March and April. Prices should resume their upward movement in May, June, and July, however.

Record corn stocks are available for the 1956-57 marketing year. The total of 4,579,000 bushels is 7 percent larger than a year earlier and 18 percent above the 1950-54 average. Minor feed grains, barley, oats, and grain sorghums, are relatively short in supply, however, and corn prices have shown some strength in recent months. Corn prices on January 15 were $1.23 per bushel. This compares with $1.22 on December 15 and $1.21 per bushel on November 15, 1956.

Even though corn prices have been rising slightly, stronger hog prices have resulted in an upward movement of the hog-corn price ratio. On January 15 this ratio stood at 14.06 as compared with 13.19 for December 15 and 11.75 for November 15, 1956.

Reports on breeding intentions for the 1957 spring pig crop indicate a total of 7,541,000 sows to farrow. This is 2 percent below the number farrowing in the spring of 1956 and about 8 percent below the average for 1945-54. If pigs saved per litter equal the spring record set last year of 6.94 head, the spring pig crop could be as large as 52,334,540 head saved.

Oklahoma

The 1956 pig crop for Oklahoma was estimated at 756,000 head. This was 12.5 percent below the 1955 crop of 864,000 pigs saved and 30.6 percent below the 1945-54 average of 1,090,000 pigs saved.

The fall pig crop of 328,000 was 20 percent smaller than 1955 and 36.5 percent smaller than the 1945-54 average fall crop of 517,000 pigs saved.

Total hog slaughter for 1956 was estimated at 1,018,000 head, 20 percent above the 1955 total of 846,000 head. This was 18 percent above the average for the past 10 years.

The December 1956 hog kill was estimated at 79,000 head. This was 9 percent below the November total and 34 percent below the December 1955 kill of 121,000 head.

Average hog prices in Oklahoma have been rising steadily since the low of $14.20 per cwt. reported on November 15, 1956. They were $16.70 per cwt. on January 15 this year. While this price movement has followed the United States pattern, it has not reached the same level. For the last two years, Oklahoma prices have tended to lag behind United States prices during both a price rise as well as a price decline. By June or July, Oklahoma hog prices may be much closer to the United States prices than at the present time although both are expected to be above present levels.

The average price of corn on January 15, 1957, was $1.45 per bushel compared with $1.41 per bushel reported on December 15, 1956. This price reflects some of the relative scarcity of other feed grains, particularly grain sorghums, that are frequently used for hog feed in Oklahoma.

The strength of corn prices in Oklahoma compared with hog prices has resulted in a hog-corn price ratio of 11.52 for January 15 this year. This compares with 11.21 for December 15 and 10.14 for November 15, 1956. These ratios reflect the relative feed scarcity in Oklahoma when compared with the hog-corn price ratios for the United States as a whole.

Spring farrowings (December 1, 1956-June 1, 1957) for Oklahoma are currently estimated at 52,000 head. If pigs saved per litter equal the 6.79 figure for last year, the 1957 spring pig crop could be as large as 353,000 head saved. —**Kenneth B. Boggs and Virgil McClain**

Sheep, Lambs and Wool

Sheep and Lambs

The Agricultural Marketing Service announced that the number of sheep and lambs on feed for markets was five percent larger than last year. The total of 4,468,000 head was 207,000 head more than in

Table I.—Sheep Numbers, Production and Value of Sales, Oklahoma, Select Years from 1935 to 1956

Year	All sheep and lambs (1,000)	Ave. value per head ($)	Sheep shorn (1,000)	Weight per fleece (lbs.)	Wool Production (1,000 lbs.)	Price per lb. (cents)	Value of wool sales ($1,000)
1935	365	3.44	220	8.5	1,870	19	355
1940	385	5.29	340	8.0	2,720	22	598
1945	255	8.00	185	8.3	1,536	38	584
1950	145	14.90	106	9.0	954	49	467
1951	160	21.00	111	9.0	999	82	819
1952	181	21.70	116	8.3	963	43	414
1953	172	12.30	124	8.1	1,004	45	452
1954	233	12.10	158	8.5	1,343	45	604
1955	229	13.00	169	8.5	1,436	35	503
1956	257	12.50	203	8.8	1,786	33	589

Source: *Wool Production and Value of Sales—1955* (Rev. est. 1949-1954) *Livestock on Farms and Ranches, January 1, 1950 and 1956*, Oklahoma Crop and Livestock Reporting Service, AMS, USDA, Oklahoma City, Oklahoma; *Oklahoma Agriculture 1956*, Oklahoma State Board of Agriculture; *Wool Statistics*, BAE, USDA, 1949.

1956. Large shifts between states were made as a result of the poor condition of range land and wheat pastures. The Corn Belt states as a whole increased the number of animals by 10 percent. Other increases were noted in Idaho, Utah, California, Colorado, and Oregon. The majority of the other states decreased the number of head on feed. For some of the states, decreases were as follows: Kansas, 6 percent; Alabama, 45 percent; Oklahoma, 34 percent; Montana, 37 percent; New Mexico, 68 percent; and Arizona, Nevada and Washington about 15 percent.

The average October price of good and choice feeder lambs at Denver advanced from the July price of $17.25 to $18.75. This price dropped to $17.75 as compared to $17.50 for the same period during 1956. The Chicago December price for choice and prime slaughter lambs averaged $19.97 per 100 pounds, $1.66 above December 1955.

The United States sheep and lamb slaughter for 1956 decreased 116,000 head from the 16,215,000 head in 1955. This represented a 23 million pound drop in the total live weight of animals slaughtered.

Oklahoma

Oklahoma sheep and lamb slaughter increased by approximately 79,000 head over the 1955 slaughter and total live weight increased by approximately 1,500,000 pounds. This occurred at the same time as the decrease in the U. S. total slaughter.

A major decline for sheep and lambs on feed for the market occurred in Oklahoma this year. As of January 1 there were 34 percent, or 21,000 head, less than for the same period during 1956. This large decrease was undoubtedly due to the severe drouth conditions in Oklahoma.

In 1957 it appears likely there will be a decrease in both Oklahoma wool production and value of sales due to the severe drouth. The 34 percent decrease in number of animals on feed for market is indicative of this reduction.

The drouth conditions may have halted the trend toward larger number of sheep and lambs in Oklahoma. On January 1, 1956 the number of all sheep and lambs increased 28,000 head from 1955 (Table I). Likewise the number of sheep shorn increased by 34,000 head. The value of wool sales during 1956 without the incentive payment was increased by $86,000. The incentive payment should increase this income by a comparable figure. —**Walter Rogers.**

Poultry

Layers on hand January 1, 1957 in the United States were estimated at 338 million, 1.5 percent greater than a year ago. The rate of lay, eggs per 100 hens, on the same date was estimated at 6 percent greater than the year before. Assuming that the rate of lay throughout the year will average 3 percent greater, and that the larger number on farms will contribute a one percent increase in production, the current year could result in a total output of 175 to 177 million cases. This compares with the record of 169 million cases produced in 1956. This expansion in output is greater than the population increase and the expansion in demand for eggs from the continued increase in broiler output.

The slaughter reports indicate that hens as well as cocks are being marketed at slightly increased rates compared with the year before. Marketings in September, December and January were 12, 19 and 38 percentage points greater than the same months a year ago. The marketings in October and November, however, were 13 to 15 points less than a year ago. Over the past year there was a 3 percent increase in marketings but this did not cause production to decline.

During the last four months egg production totaled 53.7 million cases as compared with 51.3 million cases for the same period a year earlier. This has been the normal trend. Output has increased from smaller and smaller numbers of layers through an increase in the rate of lay. Thus poultry producers can expect continually expanding output at a rate that is greater than the market will take at previous supply-price relationships.

Prices for eggs during the next six months are likely to decrease slightly from the current level of 32 to 34 cents per dozen in Oklahoma. These will be very critical months for many producers because production will be at the peak for the season. In the four month period of high

production, March through June, egg prices averaged 29.1 cents per dozen in 1955 compared with 32.4 cents in 1956. Expectations are for 1957 prices during this period to average closer to the 1955 level than the 1956 level.

Broilers

Broiler output continues to expand. Since the first of September, chick placements have increased over the same week a year ago with the exception of one week. During the last five months (September 1956 through January 1957) 475 million chicks were placed in the 22 principal broiler growing states compared with 427 million in the same period a year ago. This represented a 11 percent increase. Chick placements during the past two years have not been determined by producers but have been determined primarily by processors on contractual arrangements with producers.

Broiler producers marketed 532.5 million broilers during the five month period compared with 454.2 million a year ago, an increase of 17.2 percent. The average prices in northwest Arkansas, the third largest producer of broilers, were 17.6 cents a pound or a decrease 21.8 percent from a year ago. This is indicative of a given level of expenditures for broilers by consumers. Additional quantities have been purchased at lower prices but the total expenditures have remained constant. If this relationship continues, the average price for the next 5 months could be about 10 percent less than the average of 20 cents in the same period last year.

Turkeys

Turkey producers are planning additional expansion in turkeys raised. The producer intentions, according to the January survey by the Agricultural Marketing Service, indicated that 84 million turkeys would be raised compared with 76 million a year ago. The greatest expansion, 15 percent, is in the North Central states where more than 25 percent of the total production is located.

Light breed growers except to reduce output 3 percent to 13,134,000 birds compared with 13,582,000 in 1956. The Bronze are once again becoming the most popular bird. The West North Central farmers intend to increase numbers of heavy whites by 17 percent and the Bronze by 19 percent over the previous year. In the South Atlantic states, home of the light breeds, intentions are to increase the white breeds by 11 percent and the Bronze by 22 percent compared with 1956. In the West, including the 9 states west of Oklahoma, producers plan to increase heavy breeds by 8 to 10 percent. Oklahoma producers are planning to produce 1,021,000 turkeys compared with 930,000 in 1956. The light breeds are to be reduced from 224,000 to 146,000 birds.

Intentions to produce can be changed both in direction and in amount. Since estimates have been available, the direction or trend has not been reversed but the amount of change has been different.

The growers intended to raise 6 percent more in 1956 compared with 1955 but raised 16 percent more. During the year there was an abundance of poults throughout a fairly long hatching season. Feed prices were stable and credit available. Prices in 1957 do not appear to be as favorable as 1956. This may influence the amount of expansion although feed prices are expected to be stable particularly in the North Central and West. **—K. C. Davis.**

Winter Oats vs. Barley for North Central Oklahoma

Daniel Capstick*

With acreage restrictions on wheat, North Central Oklahoma farmers are faced with the problem of seeking alternative uses for diverted crop acres. On many farms, winter oats and barley are strong competitors for these diverted acres.

This article presents data and analyses which should prove useful to farmers in choosing between oats and barley. Data for the analyses were obtained from the Oklahoma Crop and Livestock Reporting Service, **Oklahoma Current Farm Economics,** Oklahoma Agricultural Experiment Station Field Test data, and a field schedule of 78 wheat farmers for the year 1955 in North Central Oklahoma (Alfalfa, Garfield, Grant, Kay, Kingfisher and Noble counties).

Relative Yields

In determining whether to grow oats or barley, relative yields are important, especially if production is for feed on the farm. Stillwater and Cherokee experimental field test data and North Central Oklahoma average yields per acre for 1941-55 reveal that barley is a superior crop when average yield is measured in pounds per acre (Table I). This is particularly true since on a pound per pound basis barley has a higher feeding value than oats in most livestock rations.

Although barley is considered to have the higher feeding value,[1] this is not reflected by the prices of the two crops. The 15-year average prices (1941-55) of oats have been $2.50 per cwt. compared with $2.30 for barley. With this price relationship, barley must yield 8.7 percent more than oats on a weight basis to return the same gross income. These relationships are also shown in Table I using barley as a

* Formerly Instructor, Department of Agricultural Economics.
1 F. B. Morrison, *Feeds and Feeding 20th Edition* (Ithaca, New York: The Morrison Publishing Company, 1944).

basis to determine the equivalent yield of oats on a price basis. Even with the lower price, barley is inferior to oats only for the Stillwater yield series and is considerably better for the other two series.

Table I.—Barley and Oat Yields in Pounds Per Acre for Stillwater and Cherokee Experimental Field Tests and for North Central Oklahoma, 1941 to 1955.

	Stillwater		Cherokee		North Central Oklahoma	
	Barley	Oats	Barley	Oats	Barley*	Oats**
Average yield (pounds)	1570	1501	1872	1421	821	675
Standard deviation (pounds)	710	666	1134	1091	211	96
Coefficient of variation	.452	.443	.595	.767	.254	.144
Pounds of oats equivalent to barley yields	----	1444	----	1722	---	755

* Oklahoma Crop Reporting Area 2: Alfalfa, Garfield, Grant, Kay, Major, Noble, Woods and Woodward counties.

** Alfalfa, Garfield, Grant, Kay, Kingfisher, and Noble counties.

SOURCE: Stillwater and Cherokee yields, unpublished Agronomy Department field test data, Oklahoma A&M College, North Central Oklahoma Yields, Oklahoma Crop and Livestock Reporting Service, AMS, USDA, Oklahoma City, Oklahoma.

Table II.—Range of Yields Expected at the 68 percent Probability Level for Stillwater and Cherokee Experimental Field Tests and for North Central Oklahoma.

	Stillwater (pounds)	Cherokee (pounds)	North Central Oklahoma* (pounds)
Barley	860-2280	728-3006	610-1032
Oats	835-2167	300-2512	579-771

* Includes Alfalfa, Garfield, Grant, Kay, Kingfisher and Noble counties, as reported by the Oklahoma Crop and Livestock Reporting Service, AMS, USDA, Oklahoma City, Oklahoma.
SOURCE: Table I.

Yield Variability

Even though barley appears more favorable than oats in terms of average yield, producers are also interested in knowing the probability of obtaining a certain yield each year. One measure of relative variability of yields is the coefficient of variation (Table I) which shows barley to have essentially the same relative yield variation at Stillwater (.453 and .443 for barley and oats respectively), to have less relative variation at Cherokee (.596 for barley compared with .767 for oats), and to have more relative variation in the area average (.254 compared with .144).

Another way of expressing this variability is the range from the average yield minus one standard deviation to the average yield plus one standard deviation. In almost 7 out of 10 years a farmer could expect to receive a yield within this range. Table II shows this measure for the Stillwater and Cherokee Experimental Test data and for the North Central Area Crop Reporting data.

Based on these data, one can conclude that barley has both an average yield and a range in yield which are higher than oats. The absolute and relative yield variability indicate that barley is a somewhat more favorable crop in the western part of the North Central Oklahoma area, whereas oats and barley are more on a par with each other in the eastern part of the area.

Gross Income

The three series of yield data multiplied by average annual prices received by farmers reveal that barley as a cash crop returns a higher gross income per acre than oats for each series (Table III).

Table III.—Prices and Gross Incomes per Acre for Oats and Barley, Stillwater and Cherokee Field Test Data, North Central Oklahoma, 1941-55.

Year	Price per Bushel		Per Acre Gross Income					
			Stillwater		Cherokee		North Central Oklahoma	
	Barley ($)	Oats ($)	Barley ($)	Oats ($)	Barley ($)	Oats ($)	Barley* ($)	Oats** ($)
1941	.45	.40	14.44	16.96			9.18	8.36
1942	.61	.53	10.49	----			12.69	12.56
1943	.98	.78	21.27	23.01			9.90	17.08
1944	1.01	.74	57.57	63.34			23.23	18.06
1945	.98	.72	43.71	5.11			19.70	15.91
1946	1.28	.93	35.07	59.25			23.17	21.53
1947	1.43	.99	56.77	62.17	96.67	92.07	----	24.75
1948	1.48	1.00	34.19	49.80	67.64	43.40	22.98	15.20
1949	1.11	.77	40.07	36.04	65.60	55.52	22.76	13.86
1950	1.17	.84	46.10	33.26	0.00	23.69	11.70	13.69
1951	1.32	.95	30.10	26.79	0.00	0.00	21.12	17.86
1952	1.40	.97	76.72	29.49	86.80	84.00	28.00	21.05
1953	1.25	.85	65.88	60.86	55.75	----	17.50	16.24
1954	1.09	.81	13.84	18.39	33.24	25.52	23.44	19.93
1955	.98	.75	8.53	8.78	24.70	0.00	9.80	----
Average	1.10	.80	36.98	35.23	47.82	40.52	18.22	16.86
Standard deviation	.28	.16	20.38	19.72	33.33	32.74	6.10	4.03
Coefficient variation	.254	.200	.551	.560	.697	.808	.335	.239
Median	1.11	.81	35.07	31.38	55.75	34.46	20.41	16.66

* Oklahoma Crop Reporting Area 2: Alfalfa, Garfield, Grant, Kay, Major, Noble, Woods and Woodward counties.

** Alfalfa, Garfield, Grant, Kay, Kingfisher, and Noble counties.

SOURCE: Obtained from data used in computing yield variations in Table I and from prices reported in *Oklahoma Current Farm Economics*, various issues, Oklahoma Agricultural Experiment Station.

Table IV.—Barley: Estimated Returns and Costs for North Central Oklahoma.

Production	Unit	Amount	Price (Dollars)	Value (Dollars)
Barley	Bushel	31.4	1.04	32.55
Winter Grazing	AUM[1]	1.34	—	—
Inputs:				
Seed - Barley	Bushel	2.00	2.20	4.40
0-45-0	Pounds	45.00	.038	1.71
Ammonium Nitrate	Pounds	91.00	.046	4.19
Variable machine cost	Dollars	3.12	—	3.12
Total Variable Cost				$13.42
Returns to land, labor, capital, management and risk				$19.13

[1] Animal Unit Months.
SOURCE: Unpublished data, Regional Research Project 911, Department of Agricultural Economics, Oklahoma A & M College.

In relative variation of gross income, as in yields, the coefficients of variation are essentially the same at Stillwater with barley at 0.551 and oats at 0.560; at Cherokee the relative variability is considerably higher for oats, 0.808 compared with .697; but the North Central Oklahoma average is .335 for barley and .239 for oats.

These gross income data support the conclusion that barley is better adapted to the western part of the North Central Oklahoma area and is more on a par with oats along the eastern or southeastern side.

Net Income

Based on field test data it is estimated by adopting recommended cultural practices, barley and oats for an average should be expected to yield at least 31.3 and 39.8 bushels per acre respectively. With these suggested yields and 1951-55 average grain prices projected at 80 percent of parity, Tables IV and V present a comparative per acre budget for each crop. Land, labor and other fixed costs are not included since they should be approximately the same for each crop. Since there is no appreciable difference in net income, the two crops are definitely strong competitors for diverted acres in North Central Oklahoma on a cash crop basis.

Winter Pasture

A decisive factor in growing either oats or barley may be the yield in winter pasture. This should be of particular consideration because most farmers in the area have supplemental livestock enterprises and winter pasture is a very important source of livestock feed.

Table V.—Oats: Estimated Returns and Costs for North Central Oklahoma.

Production	Unit	Amount	Price (Dollars)	Value (Dollars)
Oats	Bushel	39.8	.75	29.85
Winter Grazing	AUM[1]	.95	—	—
Inputs:				
Seed Oats	Bushel	1.25	1.65	1.65
0-45-0	Pounds	45.00	.038	1.71
Ammonium Nitrate	Pounds	91.00	.046	4.19
Variable Machine Cost	Dollars	3.12	—	3.12
Total Variable Cost				$10.67
Return to land, labor, capital, management and risk				$19.18

[1] Animal Unit Months.
SOURCE: Unpublished data, Regional Research Project 911, Department of Agricultural Economics, Oklahoma A & M College.

Barley is superior to oats in winter pasture production because it normally produces more forage, production comes early in the fall when pasture is critically needed, and produces on through the winter months (Table VI). Oats pasture comes more in the late winter and early spring which usually is not a critical pasture period. Furthermore, farmers may not have sufficient numbers of livestock to utilize the rapid late winter and early spring growth of small grain pastures.

Table VI.—Estimated Carrying Capacity of Oats and Barley Pasture With a Grain Crop, North Central Oklahoma.

Month and Date	Acres per A.U.		A.U.M.	
	Barley	Oats	Barley	Oats
(Grazing Dates)	(11-1/3-10)	(1-1/3-25)		
November	3.00		.333	—
December	3.00		.333	—
January	5.00	14.00	.200	.071
February	4.00	14.00	.250	.071
March	1.50	1.00	.222	.809
Total AUM			1.338	.951

SOURCE: Based on Oklahoma Agricultural Experiment Station Bulletin No. B-333.

Farmers Prefer Oats

Out of 78 farmers surveyed for the 1955 crop year in the North Central Oklahoma area, 38 were growing oats and 23 were growing barley. Fifty-two percent (or 12 out of 23) of those growing barley were also growing oats even though they are considered competitive crops. They are competitive with respect to having the same growing season, require similar cultural practices (same inputs except for seed), and are not complementary to each other.

The reason oats are favored over barley is likely due to the expressed fear by many farmers that barley is more susceptible to insect infestation, especially green bugs and chinch bugs. This may be true with chinch bugs which seem to thrive during dry years. Also, the southeastern part of North Central Oklahoma is in a historically heavy chinch bug area.[1] It is further believed that barley tends to harbor both chinch bugs and green bugs to a larger extent than oats.

The full validity of this insect fear may be questioned because a comparison of the two crops in the area for the 15-year period, 1941-55, which includes both wet and dry years, gives no substantial support to this criticism as measured in average yields and variability of yields.

Reducing Year to Year Income Variability

In selecting farm enterprises, farmers will often prefer a less profitable enterprise combination with a higher degree of income certainty to a higher profit enterprise combination with a lower degree of income certainty. Yet, should a farmer be seeking crop enterprises to reduce crop income variability, he may have chosen wisely in growing both barley and oats on the diverted acres, and still not sacrifice income, even though they are competitive crops.

A good year for one crop is not necessarily a good year for the other crop. Since the average net crop income is about the same, income variability may be reduced by growing both crops without changing the average yearly income. By growing both oats and barley a farmer may reduce income variability without sacrificing net crop income. However, winter pasture will be sacrificed to the extent oats replace barley in the farm operation.

Conclusions

If a farmer is farming along the eastern part of what is considered North Central Oklahoma and has no use for winter pasture, he could be somewhat indifferent as to whether he grew oats or barley either for feed or sale. If income or production stability is the goal, then a combination of oats and barley may be preferred to growing the crops singly. But moving westward across the area, barley becomes more and more attractive and both production and income are sacrificed by growing oats, even to the extent that it may be unprofitable to stabilize production or income by growing them in combination.

Whenever winter pasture has a profitable use, apparently barley will be preferred to oats throughout the area. This would be true as long as yields and prices correspond to past relationships.

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[1] C. F. Stiles, *Wheat Insects*, Oklahoma Agricultural Extension Service Circular 514.

These conclusions could possibly be invalid if barley production were increased to the extent that barley prices were depressed sufficiently to shift price relationship in favor of oats. However, this would not necessarily occur if oats and barley are adequate substitutes for each other. Oat prices and barley prices have changed together in the past 15 years as indicated by the nearly perfect correlation of the two price series. It may be possible that with increased acres of barley, insect infestation will increase. However, this is not a proven fact.

From historical observation and analysis, it appears that barley is being unduly discriminated against in favor of oats. Whether this relationship holds true in the future will depend largely on prices, the use for winter pasture, and possible insect damage.

Table 1.—Prices Received by Farmers for Oklahoma Farm Products.
(Dollars)

		Wheat	Corn	Oats	Barley	Rye	Grain sorghum	Cotton-lint	Cotton-seed	Sweet potatoes	Soybeans	Peanuts	Alfalfa seed
1955		2.09	1.41	.75	.98	1.10	1.14	.295	52.33	2.75***	2.20	.116	14.25
1956		2.00	1.39	.74	.94	1.12	1.13	.286	50.67	2.80***	2.21	.111	11.60
1956	Jan.	2.01	1.29	.71	.90	1.05	.96	.270	45.00	2.40	2.00	.114	10.26
	Feb.	2.01	1.31	.71	.90	1.08	.98	.280	46.00	2.50	2.05	.114	11.22
	Mar.	2.04	1.32	.70	.89	1.05	1.01	.280	46.00	2.40	2.20	.114	11.22
	Apr.	2.08	1.36	.71	.89	1.05	1.05	.300	48.00	2.50	2.30	.112	11.70
	May	2.01	1.43	.72	.90	1.05	1.09	.300	48.00	**	2.60	.114	11.22
	June	1.87	1.47	.62	.81	1.05	1.15	.299	48.00	**	2.60	.112	11.10
	July	1.88	1.46	.64	.84	1.05	1.18	.295	48.00	**	2.35	.110	11.40
	Aug.	1.94	1.46	.72	.90	1.08	1.23	.303	49.00	3.60	2.25	.110	11.58*
	Sept.	1.98	1.40	.77	.96	1.21	1.18	.280	52.00	3.00	2.00	.105	12.00
	Oct.	2.02	1.40	.80	1.02	1.25	1.20	.285	55.00	3.10	1.95	.115	12.24
	Nov.	2.07	1.40	.88	1.10	1.25	1.26	.274	60.00	2.80	2.10	.110	12.60
	Dec.	2.08	1.41	.91	1.14	1.29	1.26	.265	63.00	2.90	2.15	.106	12.60
1957	Jan.	2.08	1.45	.91	1.14	1.25	1.26	.262	63.00	3.20	2.20	.108	12.90

		All hay	Alfalfa hay	Wild hay	Cattle	Calves	Sheep	Lambs	Hogs	Wholesale milk	Butterfat	All chickens	Eggs	Turkeys
1955		22.92	26.90	18.19	14.09*	16.62*	5.59*	18.42*	16.08*	4.42*	.52	.215*	.332	.258
1956		23.93	28.92	19.09	13.32	15.97	5.11	18.71	14.44	4.52	.52	.174	.332	.247
1956	Jan.	22.40	26.40	17.20	13.20	15.50	5.80	16.40	11.30	4.80*	.52	.186	.425	.270
	Feb.	21.30	24.90	16.50	13.50	16.00	5.80	17.20	12.50	4.75	.53	.193	.368	.260
	Mar.	20.10	23.80	15.00	13.50	16.10	5.50	18.20	12.40	4.45*	.53	.191	.334	.260
	Apr.	20.20	24.30	14.80	13.80	16.80	5.50	18.70	14.30	4.15	.53	.184	.330	.250
	May	21.30	25.00	16.30	14.10	16.90	5.20	23.50	15.20	4.20*	.54	.190	.334	.250
	June	20.70	24.70	15.30	14.20	17.00	4.50	22.00	15.90	4.25	.52	.181	.300	.240
	July	19.80	25.50	15.30	13.80	16.00	4.50	19.90	15.40	4.30*	.52	.176	.278	.220
	Aug.	22.70	28.00	18.40	13.60	15.80	4.50	18.80	15.80	4.40	.52	.180	.291	.240
	Sept.	26.20	32.00	21.00	13.00	15.90	4.50	18.30	15.40	4.60	.52	.154	.350	.240
	Oct.	29.80	36.50	25.00	12.20	15.20	4.50	17.60	15.10	4.75	.52	.150	.310	.240
	Nov.	31.10	37.50	26.80	12.40	15.20	5.50	17.10	14.20	4.85	.53	.155	.317	.240
	Dec.	31.60	38.50	27.50	12.50	15.20	5.50	16.80	15.80	4.80	.53	.148	.350	.250
1957	Jan.	31.70	38.00	28.00	13.30	15.80	6.00	17.40	16.70	4.70	.52	.152	.320	.240

SOURCE: *Prices Received by Farmers*, Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma, Monthly Releases or *Agricultural Prices*, A.M.S., U.S.D.A., Washington, D. C.
* Revised. ** Data not available. *** 9 months average.

Table 2.—Index Numbers of Prices Received by Farmers for Oklahoma Farm Products.[1]
(Percent of 1910-14 Average)

		Wheat	Corn	Oats	Barley	Rye	Grain sorghums	Cotton-lint	Cotton-seed	Sweet potatoes	All hay
1955		244	217	166	167	128	168	268	267	223***	260
1956		233	214	165	159	130	166	253	259	227***	271
1956	Jan.	234	198	158	153	122	141	239	230	195	254
	Feb.	234	202	158	153	125	144	248	235	203	241
	Mar.	237	203	156	151	122	149	248	235	195	228
	Apr.	242	209	158	151	122	154	265	245	203	229
	May	234	220	160	153	122	160	265	245	**	241
	June	217	226	138	138	122	169	265	245	**	235
	July	219	225	142	142	122	173	261	245	**	224
	Aug.	226	225	160	153	125	181	268	250	289	257
	Sept.	230	215	171	163	141	173	248	266	244	297
	Oct.	235	215	178	173	145	176	252	281	252	338
	Nov.	241	215	196	187	145	185	242	307	228	353
	Dec.	242	217	202	194	151	185	235	322	236	358
1957	Jan.	242	223	202	194	145	185	232	322	260	359

		Cattle	Calves	Sheep	Lambs	Hogs	Wholesale milk	Butterfat	All chickens	Eggs
1955		292*	278*	122*	316*	228*	229	221	229*	186
1956		276	268	110	321	205	234	224	185	187
1956	Jan.	273	260	124	281	161	249*	222	198	239
	Feb.	280	268	124	295	178	246	226	205	207
	Mar.	280	270	119	312	176	231*	226	203	188
	Apr.	286	281	119	321	203	215	226	196	185
	May	292	283	114	403	216	218*	231	202	188
	June	294	285	97	377	226	220	222	193	169
	July	286	268	97	341	219	223*	222	187	156
	Aug.	282	265	97	323	224	228	222	191	163
	Sept.	269	266	97	314	219	238	222	164	197
	Oct.	253	255	97	302	214	246	222	160	174
	Nov.	257	255	119	293	202	251	226	165	178
	Dec.	259	255	119	288	224	249	226	157	197
1957	Jan.	275	265	130	299	237	243	222	162	180

SOURCE: Compiled by Dept. Agri. Econ., Oklahoma A & M College, from data supplied by Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma and Washington, D. C.
For previous years, see Oklahoma Agri. Exp. Sta. Bul. 238, *Oklahoma Farm Price Statistics* and *Current Farm Economics*, Okla. Expt. Sta. series 49, Vol. 15, Nos. 1 and 2, Feb.-Apr., 1940. Tables 16-19, and subsequent issues.

[1] For the index of purchasing power of a unit of an individual commodity in terms of commodities used in farm production and family living, divide the index of price received by Oklahoma farmers (in this table) by the index of prices paid by United States farmers (in Table 4) for the same month and multiply by 100.

* Revised. ** Data not available. *** 9 months average.

Table 3.—Price Indexes of Groups of Oklahoma Farm Products.
(Percent of 1910-14 Average)

		All commodities	Total crops	Grain	Cotton & cottonseed	Misc. crops	Total livestock and L. S. products	Meat animals	Dairy products	Chickens and eggs
1955		253	255	233	268	237	250	274*	224*	198*
1956		241	243	224	254	247	237	256	228	186
1956	Jan.	234	232	222	238	240	237	242	231*	228
	Feb.	238	237	222	246	232	239	251	233	206
	Mar.	237	238	225	246	220	235*	251	228*	192
	Apr.	248	250	230	263	223	241	263	223	188
	May	248	248	225	263	183	247*	271	226*	192
	June	244	243	213	263	177	246	275	222	175
	July	240	241	214	259	170	239	267	224	165
	Aug.	247	250	220	266	265	239	265	224	171
	Sept.	240	241	223	250	284	237	255	228	188
	Oct.	240	246	227	255	317	226	243	230	170
	Nov.	240	245	233	249	322	227	242	235	175
	Dec.	240	242	234	244	328	234	249	234	186
1957	Jan.	241	241	235	241	335	240	264	229	175

Purchasing Power Indexes[1] of Groups of Oklahoma Farm Products
(Percent of 1910-14 Average)

		All commodities	Total crops	Grain	Cotton & cottonseed	Misc. crops	Total livestock and L. S. products	Meat animals	Dairy products	Chickens and eggs
1955		89	89	82	94	83	87	96	78	69*
1956		84	84	78	88	85	82	89	79	65
1956	Jan.	83	82	78	84	85	84	86	82*	81
	Feb.	84	84	79	87	82	85	89	83	73
	Mar.	83	84	79	86	77	82*	88	80*	67
	Apr.	87	88	81	92	78	85	92	78	66
	May	86	86	78	91	63	86	94	78*	66
	June	84	84	74	91	61	85	95	77	61
	July	83	83	74	89	59	82	92	77	57
	Aug.	85	86	76	91	91	82	91	77	59
	Sept.	82	83	77*	86	98*	81	88*	78	65*
	Oct.	82	85	78	88	109	78	84	79	58
	Nov.	82	83	79	85	110	77	82	80	60
	Dec.	81	82	79	83	111	79	84	79	63
1957	Jan.	82	82	80	82	114	81	89	78	59

SOURCE: Compiled by Dept. Agri. Econ., Oklahoma A & M College, from data supplied by Agricultural Marketing Service, U.S.D.A., Oklahoma City, Oklahoma, and Washington, D. C.

[1] The ratio of prices received by farmers to prices paid by farmers for commodities used in farm living and production. For individual commodities see footnote 1 of Table 2.

* Revised.

2-57—3 1/5M.

Table 4.—Index Numbers in the United States, Index of Demand Deposits in Oklahoma, and Oklahoma Price Ratios.

		United States index numbers of:				Index of demand deposits in Oklahoma[2 3] (1923-25=100)	Oklahoma price ratios[4]			
		Prices received by farmers (1910-14=100)	Prices paid by farmers (1910-14=100)	Wholesale prices (1910-14=100)	Factory payrolls[1] (1947-49=100)		Hog corn	Egg feed	Turkey feed	Milk feed
1952		288	288	250	136.6*	293.2	10.20	8.9	7.0	1.533*
1953		258	284	247	151.4*	289.3	14.04*	11.2	7.6	1.520
1954		250	286	247	137.7*	289.3	15.15	8.6	7.4	1.479*
1955		236*	286	248	152.5*	291.3	11.43	9.5	7.4	1.600*
1956		236	289	256	----	297.4	10.35	9.7	7.2	1.680
1956	Jan.	226	283	252	159.1*	301.1	8.76	12.9	8.2	1.870*
	Feb.	226	282	252	157.7*	293.5	9.54	11.0	7.8	1.832
	Mar.	230	285	254	157.9*	290.4	9.39	10.1	7.8	1.726
	Apr.	235	285	256	158.2	291.8	10.51	9.7	7.3	1.566
	May	242	289	256	157.3*	289.5	10.63	9.6	7.2	1.513*
	June	247	289	256	158.2*	291.0	10.82	8.8	7.1	1.630
	July	244	290	256	151.0	304.8	10.55	8.2	6.5	1.659*
	Aug.	237	291	258	161.4	300.8	10.82	8.4	6.9	1.619
	Sept.	236	291*	258	165.8*	301.1	11.00	10.1	6.9	1.687
	Oct.	234	291	258	168.7	301.6	10.79	8.9	6.9	1.740
	Nov.	234	294	261	168.3	303.2	10.14	8.9	6.8	1.708
	Dec.	237	295	261	----	300.1	11.21	9.8	7.0	1.653
1957	Jan.	238	295	263	----	----	11.52	8.9	6.7	1.607

SOURCE: Indexes of U. S. prices received and prices paid by farmers and indexes of U. S. wholesale prices, from *Agricultural Prices*, A.M.S., U.S.D.A., Washington, D. C. Indexes of demand deposits in Oklahoma, calculated by Dept. Agri. Econ., Okla. Agri. Exp. Sta. from data furnished by Federal Reserve Board, Washington, D. C. Indexes of factory payrolls, from U. S. Department of Labor, Bureau of Labor Statistics, Washington, D. C.

[1] Unadjusted for seasonal variation.

[2] Demand deposits of Oklahoma member banks of the Federal Reserve System located in places under 15,000 population.

[3] Index numbers based on net demand deposits prior to 1936 and upon gross demand deposits since that date. For a discussion of this index see CURRENT FARM ECONOMICS, Oklahoma Agricultural Experiment Station Series 49, Vol. 13, Nos. 1 and 2. Feb.-Apr., 1940. p. 41.

[4] The number of bushels of corn or pounds of feed which one unit of the commodity (100 pounds of hogs, one dozen eggs, one pound of turkeys or milk) will purchase. Prices used are the official A.M.S. estimates of prices received by Oklahoma farmers except for commercial feeds or ingredients which are official A.M.S. estimates of prices paid by Oklahoma farmers. These ratios are computed on the basis of fixed rations and are not directly comparable with ratios computed from other rations. The composition of each ration used is available upon request.

*Revised